

Gannett Holds Talk With Five Papers And 3 TV Stations

NEW YORK (DJ)—Gannett Co., the Rochester newspaper and broadcasting chain, is holding acquisition discussions with five newspapers or newspaper chains and at least three television stations, John Purcell, financial vice president, told Dow Jones.

The Gannett executive characterized the acquisition program as the most active ever particularly in the field of television. He said Gannett is engaged in a "renewed effort" to make broadcasting "a more meaningful portion of our business."

Currently Gannett owns 34 daily newspapers, 13 weeklies, five radio stations, two television stations and a cable television facility. Purcell said the new television stations being considered are in the top 50 markets and that the company hopes eventually to own the full complement of five VHF and two UHF TV stations allowed by the FCC.

Plans Outlined

In the newspaper field Purcell said the acquisition talks all involve papers without competition in rapidly-growing smaller cities. Gannett's philosophy has been to confine its newspaper operations to small and medium-size cities with no or minimal competition.

Purcell did not name any of the companies involved in the acquisition talks and said that some of the discussions were only in preliminary stages. While all previous Gannett acquisitions have been financed by cash and notes, Purcell said that, "We are not at all adverse to making a stock deal."

guard as serious" a bill introduced in the Senate by Thomas J. McIntyre, New Hampshire Democrat, to limit newspaper chain ownership to five papers. McIntyre introduced the bill as a response to Vice President Agnew's criticism of concentration of control in the media.

The Gannett papers have no uniform editorial positions, and are not required to endorse specific candidates for office, Purcell noted.

Commenting on earnings, Purcell said Gannett's 1969 net income would rise 14 percent to about \$1.38 a share from 1968's adjusted figure of \$1.21 a share, which reflects a three-for-two stock split last October. Revenues for 1969 will be just under \$150 million, compared with \$123 million the year before.

Increase Anticipated

The earnings projection for 1969 indicates the fourth quarter will show a percentage rise in net income similar to that of the year as a whole.

For 1970 Purcell said Gannett is looking for an earnings rise of 10 percent to 12 percent, assuming no serious recession. He added that the higher earnings mean Gannett might possibly consider late this year increasing its 12-cent quarterly dividend.

Purcell said he "did not re-